

*Glas autora!*

Načini korištenja glazbe

- Koristite glazbu legalno
- Izvođenje i priopćavanje glazbe
- Mediji i nove tehnologije
- Umnožavanje glazbenih djela
- Ostali načini

Tarife i obrasci za prijavu

- Radijske i TV postaje
- Kabelski operateri
- Internet - nove tehnologije

Često postavljana pitanja

- U čemu je korist?
- Kako se prijaviti?
- Kako se plaćati?

Početna > Korisnici > Koristite glazbu legalno

Koristite glazbu legalno

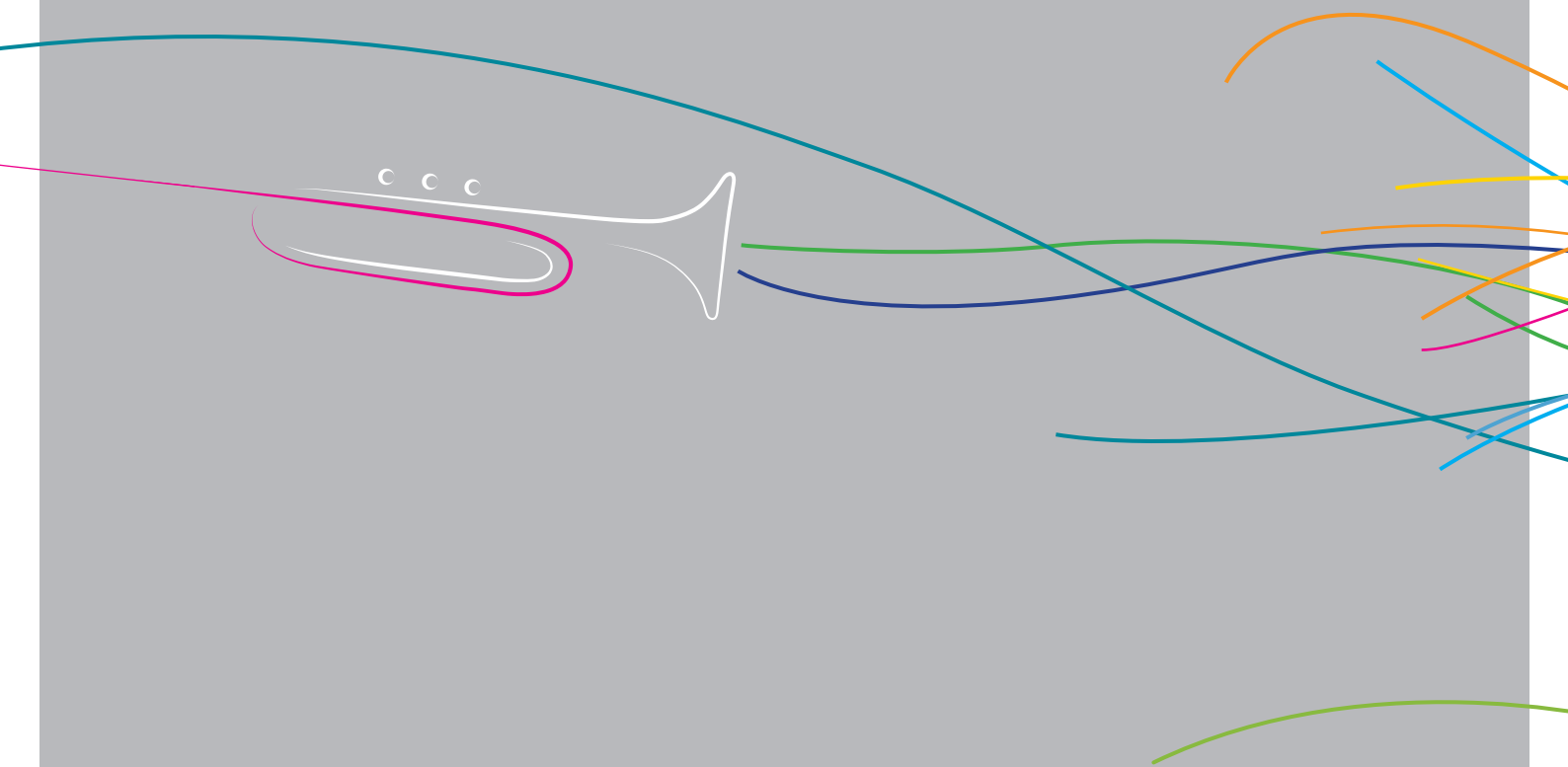
Želite li javno i legalno koristiti glazbu, bilo da je koncertnoj izvedbi, uposredstvom objekta u kojem se glazba - njezinih autora i ostalih nositelja - koristi, u većini slučajeva vrlo je jednostavno. To se postiže ispunjenjem online prijave i ispunjenjem odgovarajućih oblika. Ispunite online prijavu i ispunite odgovarajuće oblike. Ispunite online prijavu i ispunite odgovarajuće oblike. Ispunite online prijavu i ispunite odgovarajuće oblike.

Odobrenje za javno korištenje glazbe izdaje Hrvatski zavod za intelektualno i umjetničko pravo. Radi važnog interesa, Hrvatski zavod za intelektualno i umjetničko pravo izdaje i oblikovane oblike za javno korištenje glazbe.

www.zamp.hr

2012.

SUMMARY
ANNUAL
REPORT



2012.

SUMMARY
ANNUAL
REPORT





SUMMARY BY NENAD MARČEC, General Manager

INTRODUCTION

The Croatian Composers' Society has been properly prepared for the accession of the Republic of Croatia to the European Union, as regards both the artistic activity and the activity of the collective management of rights. In recent years, special efforts were engaged in our preparation for such a challenge, by strengthening the Society and its activity in the country and in the international community, as well as by improving the relationship with our members.

In general, the full **membership in the European Union** has brought to Croatia changes and novelties, and even challenges and uncertainty. **We are ready to face such challenges as a professionally stable and mature Society** which is well connected with its **members, the interests of which are our imperative**. The Chairmanship, as elected last year, has taken over a stable and well-established system giving to it an additional initiative, in particular in its work with its members.

The business stability has been reflected even in **our financial operations in which** the total amount as collected in 2012 was lower for 1,15% than the amount collected in 2011. However, taking into account the circumstances and the situation in the country, it may be said that such a result was expected and that it is quite satisfactory.

DEVELOPMENT OF THE WORK WITH THE MEMBERS

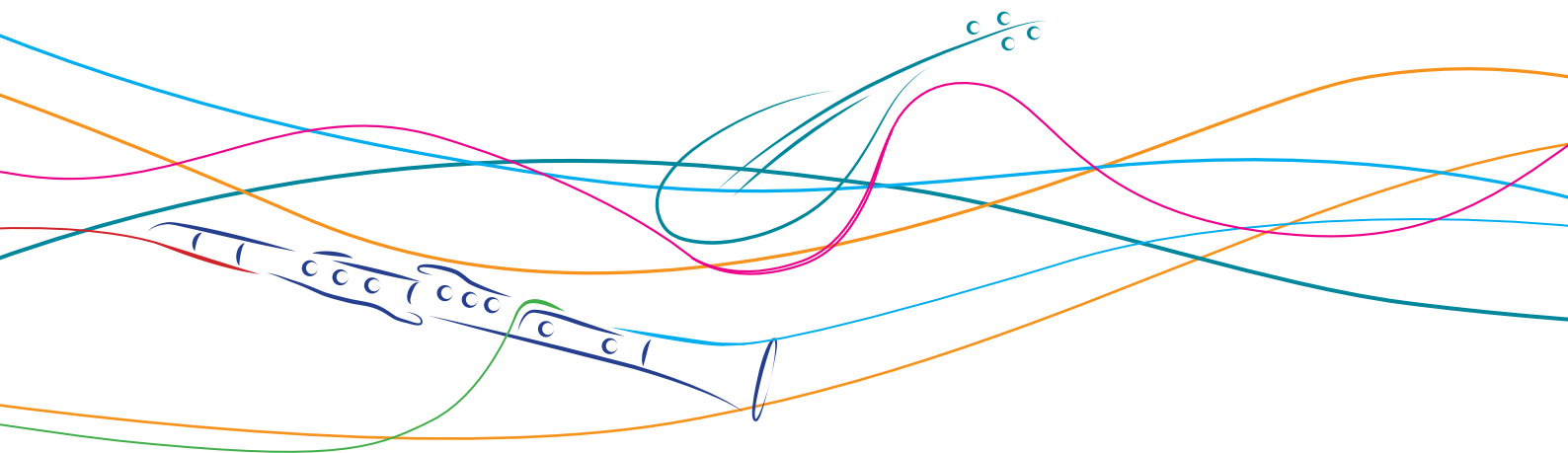
In 2012, the employees of the Membership Department were very active in the field, **visiting several cities in order to enter into direct contacts and organize individual meetings with the members not living or working in Zagreb area**. The work on the inclusion of a larger number of members in the work of the Society, through their participation in the thematic meetings has continued also in 2013. A decision that the Annual Assembly is to be held in Biograd, small town in the Dalmatian region, and not as always till now in the capital of Zagreb, has been received with approval by the members, and being the actual indicator of direction in which the Society will proceed to work with its members.

Furthermore, in 2012, several seminars on the operation of the Croatian Composers' Society, Service and the system of collective management of rights were organized, mainly for younger members and for those who wished to become its members.

RELATIONS WITH THE USERS

For many years past, we have been engaged in the policy of cooperation with the users, exercising mutual appreciation and agreed-upon negotiation of remunerations. Partner relationship that we have established with all the umbrella associations of our users remained solid even in 2012, in which we had harmonious communication and cooperation with all the associations. Out of such activities we can emphasize the one with the umbrella association of hotel managers, the Croatian Association of Employers in Hotel Management with which **negotiations on the new calculation of fees to be paid by hotels, most likely according to new criteria, i.e. the number of nights as actually realized, are underway**. Within the framework of those negotiations and taking into account the uncertainty of the tourist season for this group of users, in 2012, we granted a single reduction of 15%. This act of ours was accepted with approval by both the hotel managers and the Ministry of Tourism, and having positive repercussions in the public.

The conditions for the next period have been contractually agreed with the National Televisions Association, gathering local television stations (the former contract referred to the period from 2007 to



the end of 2011). In general, the conditions are the same with the adaptation of the minimum remuneration to the new concession levels.

THE WORK ON THE DEVELOPMENT AND EXTENSION OF THE INTERNET MARKET

We have applied the principle of policy of cooperation with the users even where it concerns the offer of music on the Internet.

By the end of 2010 and during 2011, we activated our contacts and entered into discussions with the representatives of big international services, with the aim to identify the barriers for their arrival to our country and the things we can do to eliminate them. The main problems and barriers as emphasized in such discussions were a very small market and an extremely high rate of the Internet piracy. Therefore, by the end of 2011 and in 2012, we established a regional cooperation within which international Internet services can negotiate in one stop shop the conditions for providing their services on the whole territory of the former Yugoslavia. Thus we tried to neutralize the problem of a small market. The problem of an extremely high rate of the Internet piracy remained unsolved, and that problem cannot be solved by us alone. Nevertheless, Deezer Service, the services of which were first made available to the Croatian users through Facebook, began its operation in Croatia in 2012. In 2013, the same Service, in cooperation with T-Com, started to provide a proper localized service. Our efforts engaged in 2010 have given specific results so that negotiations with several international services are underway. We believe that by the end of the year, we could expect the extension of this market and its offer, but also (according to the expectations of our collocutors) the launching of joint educational campaigns on the noxiousness of the Internet piracy. At the same time it has to be pointed out that, at this moment, the revenue from such services even in the countries where such market is developed is actually very poor, and amounts to only several percents in comparison to other revenues. Yet, it is important even for the future generations, to teach the citizens how important is the respect for copyright works and rights on the Internet. Such an education cannot be carried out while almost any legal offer exists in the country, for the simple reason that nobody can legally access the wider world musical repertoire through the Internet.

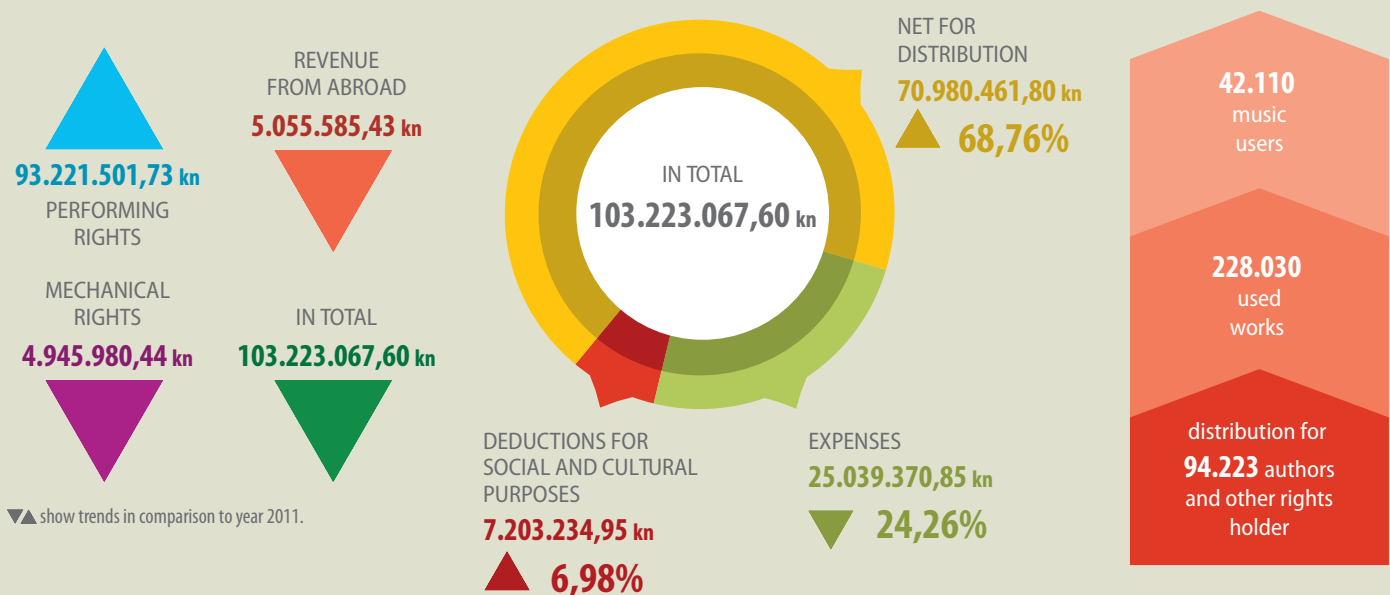
WORK ON THE PROMOTION OF COPYRIGHT AND ITS PROTECTION

Taking into consideration the education of citizens, we were active in the promotion of copyright and its protection during the whole 2012, whereas in the next period, we plan to improve such activities, in particular, in cases where the Internet is concerned. The launching of the new services and the cooperation with the holders of other rights in music, and also with the holders of rights in other copyright works has created the environment which is ready to launch new educational campaigns. We believe that our members will actively join these campaigns, as they did in the last years, also appreciating the inclusion of foreign authors in such campaigns, even in the manner to simply state: "Thank you for respecting our rights".

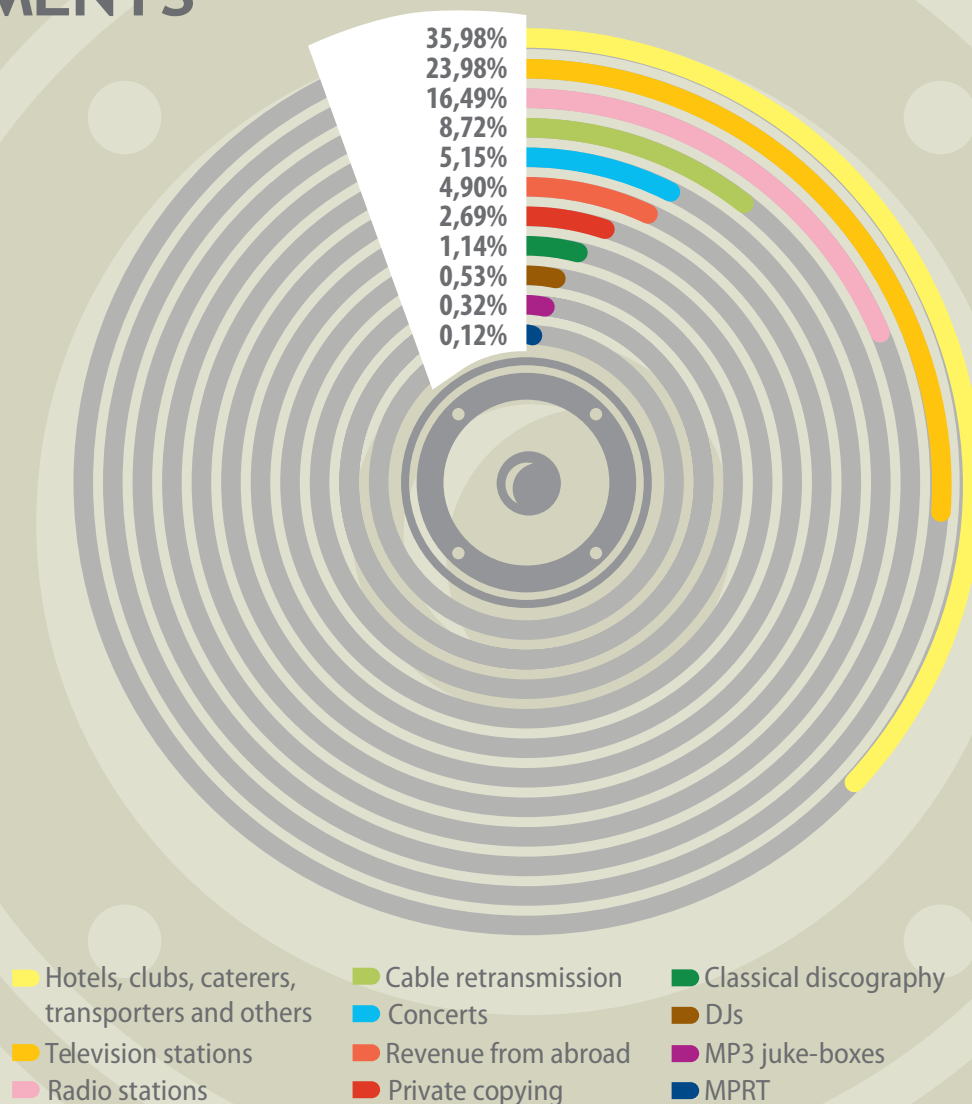
The launching of our new web site and our activation on the social networks, such as Facebook and Twitter, have provided us with the new tools for the promotion of our work and importance of respect for rights, so we believe that the strengthening of the channel of communication with the members will improve the inclusion of authors in this work as carried out in the field of promotion.

FINANCIAL RESULTS IN 2012

COLLECTED IN 2012 - KN	COLLECTED IN TOTAL	EXPENSES	EXPENSES %	FOR DISTRIBUTION	DEDUCTIONS FOR SOCIAL AND CULTURAL PURPOSES	DEDUCTIONS %	NETO FOR DISTRIBUTION	%
(1) PUBLIC PERFORMANCE RIGHTS								
Radio stations	17.022.452,69	4.200.559,59	24,68%	12.821.893,10	1.282.189,31	10,00%	11.539.703,79	67,79%
Television stations	24.748.170,84	5.745.248,27	23,21%	19.002.922,57	1.900.292,26	10,00%	17.102.630,31	69,11%
Cable retransmission	8.998.697,66	1.603.750,44	17,82%	7.394.947,22	739.494,72	10,00%	6.655.452,50	73,96%
Concerts	5.312.938,06	956.328,85	18,00%	4.356.609,21	0,00	0,00%	4.356.609,21	82,00%
Hotels, clubs, caterers, transporters and oth.	37.139.242,48	11.106.204,97	29,90%	26.033.037,51	2.603.303,75	10,00%	23.429.733,76	63,09%
TOTAL	93.221.501,73	23.612.092,12	25,33%	69.609.409,61	6.525.280,04	9,37%	63.084.129,57	67,67%
(2) MECHANICAL REPRODUCTION RIGHTS								
Classical discography	1.173.599,30	211.247,87	18,00%	962.351,43	0,00	0,00%	962.351,43	82,00%
MPRT	120.579,48	21.704,31	18,00%	98.875,17	0,00	0,00%	98.875,17	82,00%
MP3 juke-boxes	334.553,43	66.910,69	20,00%	267.642,74	0,00	0,00%	267.642,74	80,00%
DJs	544.426,52	108.885,30	20,00%	435.541,22	0,00	0,00%	435.541,22	80,00%
Private copying	2.772.821,71	512.972,02	18,50%	2.259.849,69	677.954,91	30,00%	1.581.894,78	57,05%
TOTAL	4.945.980,44	921.720,19	18,64%	4.024.260,25	677.954,91	16,85%	3.346.305,34	67,66%
(3) REVENUE FROM ABROAD								
Revenue from abroad	5.055.585,43	505.558,54	10,00%	4.550.026,89	0,00	0,00%	4.550.026,89	90,00%
TOTAL (1+2+3)	103.223.067,60	25.039.370,85	24,26%	78.183.696,75	7.203.234,95	9,21%	70.980.461,80	68,76%

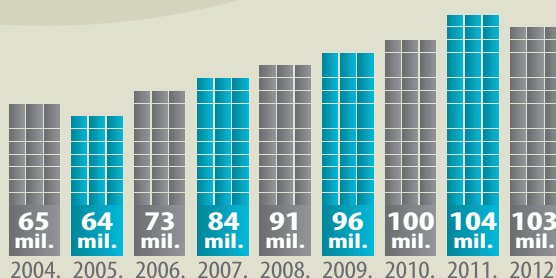


REMUNERATIONS BY RIGHTS AND SEGMENTS



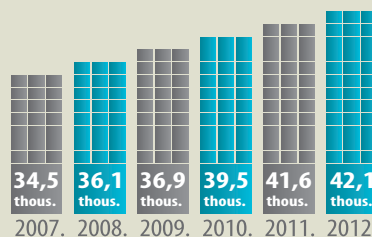
2004.	65.625.270,13 kn
2005.	64.624.091,79 kn
2006.	73.813.950,43 kn
2007.	84.146.747,20 kn
2008.	91.331.667,04 kn
2009.	96.623.459,54 kn
2010.	100.132.530,97 kn
2011.	104.420.086,76 kn
2012.	103.223.067,60 kn

REMUNERATIONS AS COLLECTED 2004 - 2012



2007.	34.590 users
2008.	36.104 users
2009.	36.976 users
2010.	39.570 users
2011.	41.629 users
2012.	42.110 users

INCREASE IN THE NUMBER OF USERS 2007 - 2012



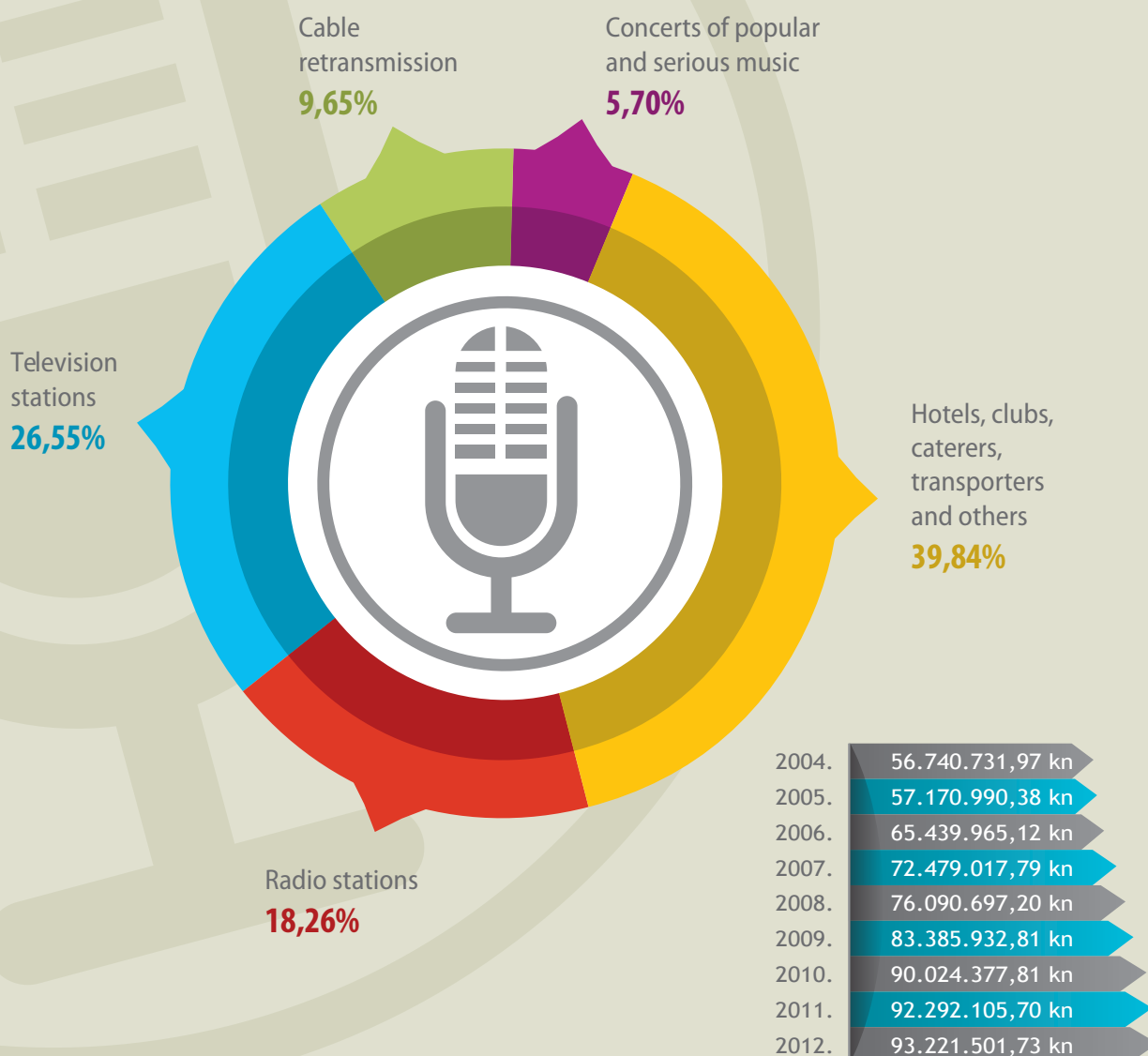
RIGHTS OF PUBLIC PERFORMANCE

The number of constant users of music continued to increase also in 2012 in comparison to 2011 (indeed, a little bit slower than before). This of course affected the revenues from this kind of rights, which have increased for 1% in comparison to 2011 and that irrespective of the poorer offer of concerts and major fall of revenues of the RTL Television. Viewing

the groups of users, all the groups, with the exception of concerts (television stations, radio stations, cable retransmission, general users - hotels, shops, clubs, caterers etc.) reported the increase in the collected amounts, which mainly was about 1%, whereas in the field of cable retransmission the increase was more than 6%.

REMUNERATIONS BASED ON THE RIGHTS OF PUBLIC PERFORMANCE BY SEGMENTS

REMUNERATIONS BASED ON THE PUBLIC PERFORMANCE RIGHTS 2004 - 2012



Top 3 works of the Croatian authors according to the number of broadcasts in 2012.

Croatian authors		
OCEANI LJUBAVI	N. Belan/N. Belan/N. Belan	Neno Belan & grupa Fiumensi
OPET SI POBIJEDILA	M. Buljan/M. Buljan	Tony Cetinski
TIŠINA	S. Bastiančić/S. Bastiančić/A. Gelo	Massimo

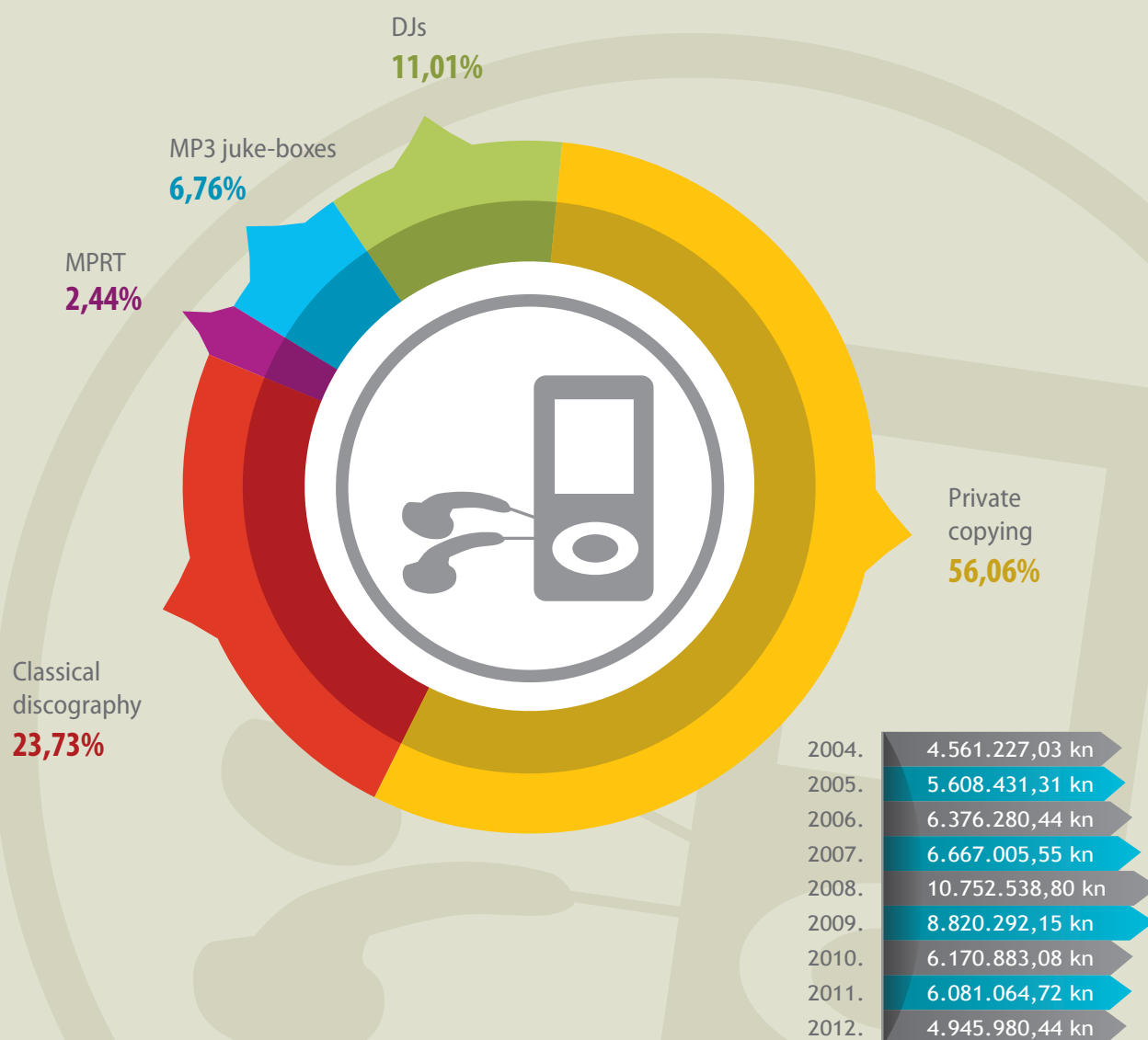
RIGHTS OF MECHANICAL REPRODUCTION

When referring to the rights of mechanical reproduction, we have to have in mind that discography has been decreasing for many years. This can be seen in the longer period of the negative trend in the use of and payment for such rights. The collection of amounts for classical discography decreased for 25%, and the market of MPRT and MP3 juke-boxes was almost cut in half. The decrease in remunera-

tions for private copying was about 11%. However, the increase of 10,7% was reported in the amounts of remunerations for the reproduction and storage of works for the purpose of DJ performance. The total amount collected in this segment of operation was lower for 18,67% in comparison to the same as collected in 2011.

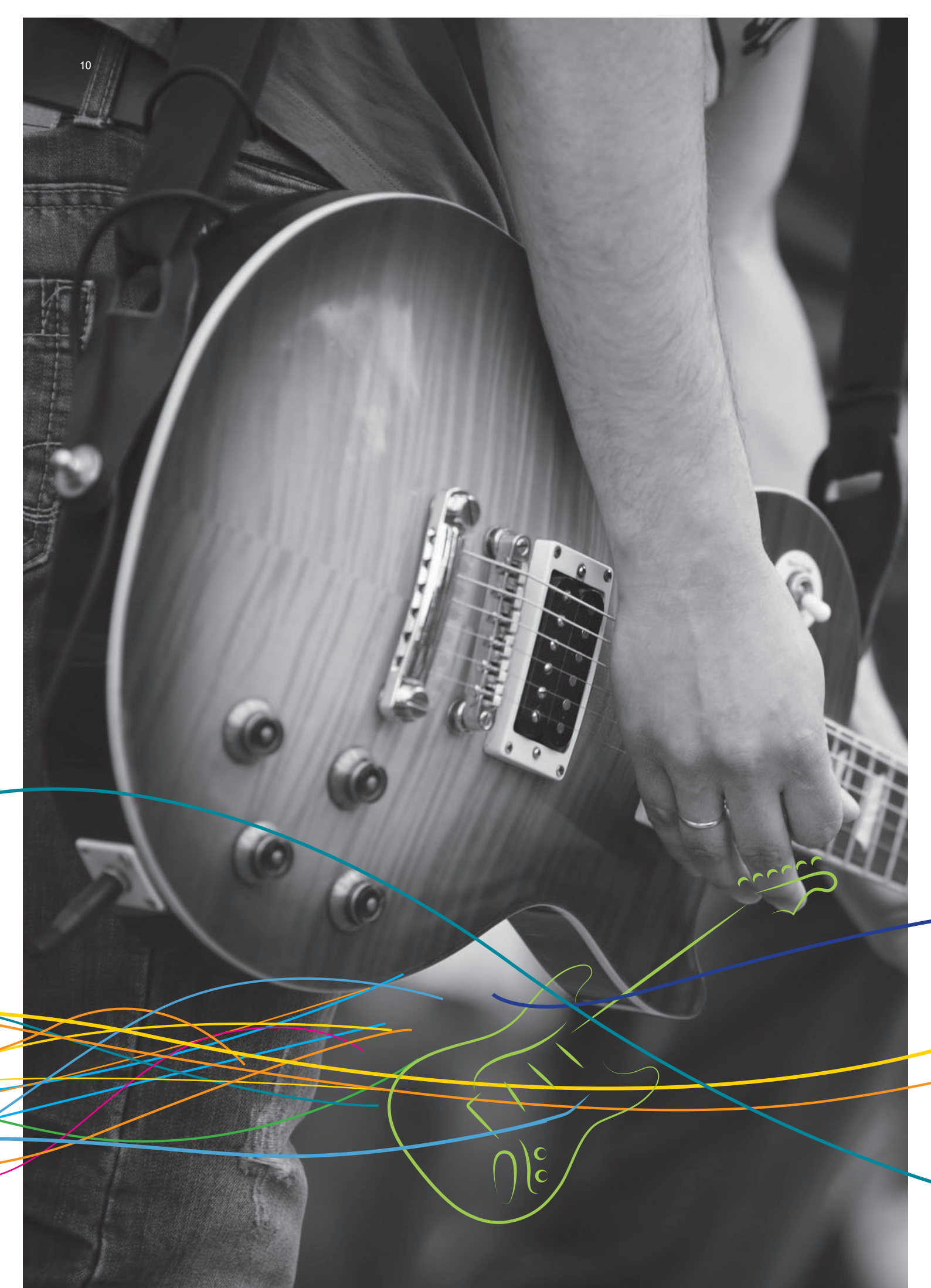
REMUNERATIONS BASED ON THE RIGHTS OF MECHANICAL REPRODUCTION BY SEGMENTS

REMUNERATIONS BASED ON THE RIGHTS OF MECHANICAL REPRODUCTION 2004 - 2012



Top 3 works of the foreign authors according to the number of broadcasts in 2012.

Foreign authors		
SOMEBODY THAT I USED TO KNOW	Luiz Bonfá-Walter Andre E. De Backer/ Luiz Bonfá-Walter Andre E. De Backer	Gotye/The Walk off the earth/ Sharon Levy/Kimbra
NEXT TO ME	Anup Kumar Paul-Hugo Francis William Chegwin- Harry Francis Craze/Emeli Sande	Emeli Sande
DRIVE BY	Espen Lind-Amund Bjorklund-Patrick T. Monahan/ Espen Lind-Amund Bjorklund-Patrick T. Monahan	The Train

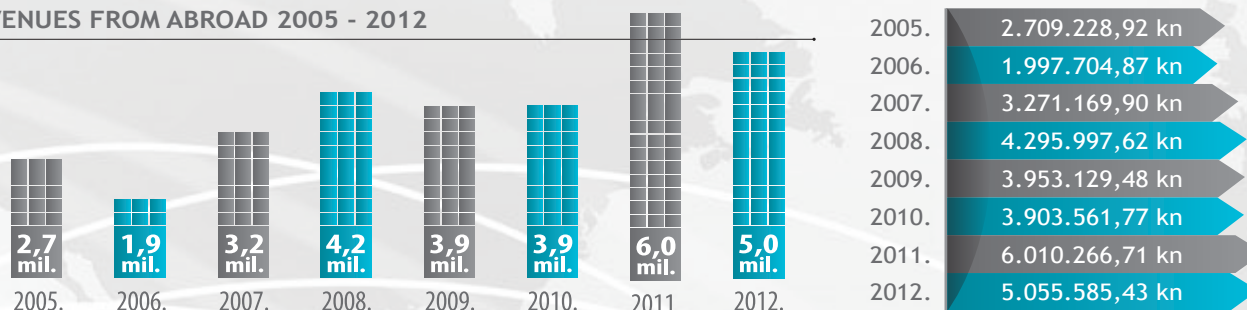


REMUNERATIONS FROM ABROAD

The remunerations received from abroad in 2012 were slightly lower than those received in 2011. This is not surprising, taking into consideration that in 2011, certain debts from earlier periods

were collected by foreign countries. In addition to this, we have to mention the economic crisis that affected the operation of certain of our foreign sister societies.

REVENUES FROM ABROAD 2005 - 2012



A LIST OF SISTER SOCIETIES

SOCIETY	COUNTRY	SOCIETY	COUNTRY
AAS	Azerbaijan	OSA	Czech Republic
ABRAMUS	Brasil	PAM CG	Montenegro
ACUM	Israel	PRS for music	United Kingdom
AEPI	Greece	RAO	Russian Federation
AKKA - LAA	Latvia	SABAM	Belgium
AKM	Austria	SACEM	France
ALBAUTOR	Albania	SACM	Mexico
AMCOS	Australia	SADAIK	Argentina
APRA	Australia	SAMRO	JAR
ARTISJUS	Hungary	SAS	Georgia
ASCAP	USA	SAYCO	Colombia
AsDAC	Moldova	SAZAS	Slovenia
AUME	Austria	SDRM	France
NCIP	Belarus	SESAC	USA
BMI	USA	SGAE	Spain
BUMA	Netherlands	SIAE	Italy
CASH	Hong Kong	SINE QUA NON	Bosnia and Herzegovina
EAU	Estonia	SOCAN	Canada
GEMA	Germany	SODRAC	Canada
HFA	USA	SOKOJ	Serbia
IMRO	Ireland	SOZA	Slovakia
JASRAC	Japan	SPA	Portugal
KODA	Denmark	STEF	Island
KOMCA	Republic of Korea	STEMRA	Netherlands
LATGA	Lithuania	STIM	Sweden
MACP	Malaysia	SUISA	Switzerland
MCPS	United Kingdom	TEOSTO	Finland
MCSC	China	TONO	Norway
MESAM	Turkey	UACRR	Ukraine
MSG	Turkey	UCMR ADA	Romania
MUSICAUTOR	Bulgaria	ZAIS	Poland
MUST	Taiwan, Chinese Taipei	ZAMP MAKEDONIJA	Macedonia
NCB	Scandinavia		

TOP 5 SOCIETIES FROM WHOM WE RECEIVED THE LARGEST COLLECTIONS

1. SAZAS (Slovenia)
2. SOKOJ (Serbia)
3. ARTISJUS (Hungary)
4. SQN (Bosnia and Herzegovina)
5. GEMA (Germany)

TOP 5 SOCIETIES TO WHOM WE HAVE SENT THE LARGEST COLLECTIONS

1. PRS for music (United Kingdom)
2. ASPAC (United States of America)
3. BMI (United States of America)
4. SOKOJ (Serbia)
5. GEMA (Germany)



REmira

d.o.o. za reviziju

Mrazovićeva 9, ZAGREB, phone/fax: 01/48-16-856

HDS – Croatian Composers' Society

Berislavićeva 9, Zagreb

Attn. of Mr. Nenad Marčec

Services:

- auditing
- accounting
- financial analysis
- tax consultancy

Zagreb, 24 May 2013

Re.: Audit Report Summary of the factual findings in connection with the General Statement of Funds Distribution to Right Holders for Jan-Dec 2012

As requested by you, below please find a summary of the factual findings in connection with the audit of the General Statement of Funds Distribution to Right Holders for Jan-Dec 2012 as follows:

1. Pursuant to the Agreement dated 30 April 2013, we have performed the agreed procedures in connection with the examination of the General Statement of Funds Distribution to Right Holders for Jan-Dec 2012.
2. Our engagement was completed in accordance with the International Standard on Related Services ISRS 4400 applicable to engagements to perform agreed-upon.
3. The agreed-upon pertained to:
 - a) examining and assessing segments of Society's financial statements included in the General Statement of Funds Distribution to Right Holders for Jan-Dec 2012;
 - b) issuing audit reports on established facts including an opinion on whether the collected fees are allocated in accordance with the distribution rules and provisions of the Copyright and Related Rights Act (Official Gazette 167/03, 79/07, 80/11 and 144/12) and whether the total costs for the collective entitlement were incurred in an amount permitted under Article 167, paragraph 5 of the Act.
4. On completion of the auditing procedures, we established as follows:
 - a) Regarding point 3a), we were assured that the records used to calculate the rights to distribution to authors were proper and based on authentic documentation and may as such be used to prepare the General Statement of Royalties for 2012.
 - b) Regarding point 3b), we were assured that the requirements under Article 167, paragraphs 5 and 7 of the Copyright and Related Rights Act have been met, as follows:
 - (b1) In connection with Article 167, paragraph 5 of the Copyright and Related Rights Act (Official Gazette 167/03, 79/07, 80/11 and 144/12), we were assured that the Society's costs for the collective entitlement did not exceed the legally permitted level.
 - (b2) In connection with the provisions of Article 167, paragraph 7 of the Copyright and Related Rights Act (Official Gazette 167/03, 79/07, 80/11 and 144/12) and a review of the GENERAL STATEMENT OF FUNDS DISTRIBUTION for 2012, we were assured that the collected fees are distributed to right holders in accordance with the distribution rules defined by Society's normative documents and that the Resolution to Accept the General Statement of Royalties for 2012 of 6 May 2012 was based on the Rules for the Entitlement to Copyrights of 3 May 2006, and the Resolution to Amend the Rules for the Entitlement to Copyrights of 2 May 2007, 26 May 2008, 25 November 2008, 29 June 2009, 20 April 2010, 24 March 2011, 16 May 2012, and 18 December 2012.

Auditing firm:

Remira d.o.o.
Mrazovićeva 9
Zagreb

"REmira"
d.o.o. za reviziju
7, AGREB Mrazovićeva 9

Auditors:

Mira Hrelja, M.Econ.

Darija Lopotar, M.Econ.

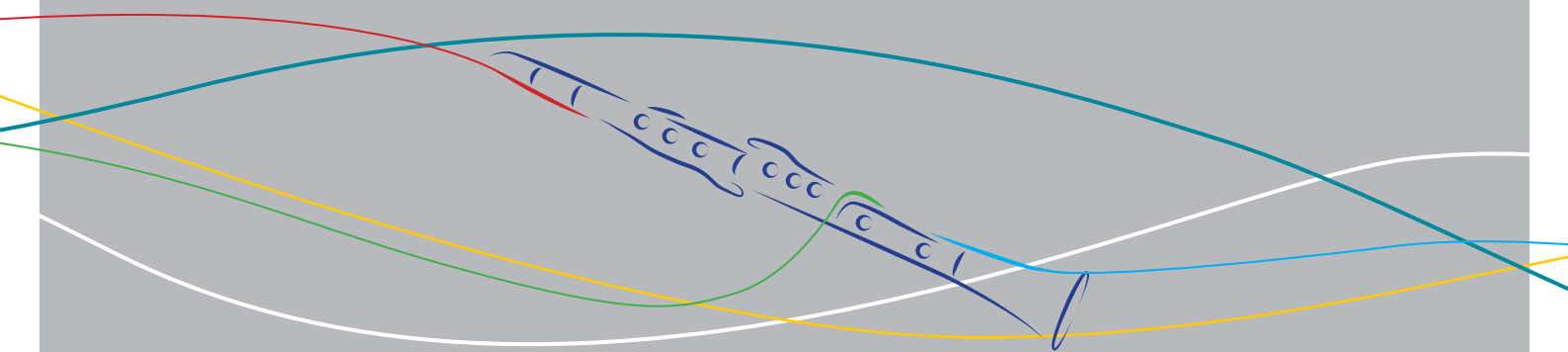


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RENTAL OF MUSICAL MATERIAL

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www.zamp.hr